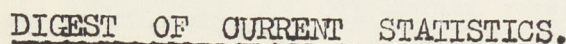


B.S.E. 1950/11.



25 JAN 1949

<u>GENERAL</u>		...	...	Page.
				122
<u>PART 1 : EMPLOYMENT AND NON-RURAL INDUSTRIES.</u>				
Employment	...	November, 1950		122
Coal Production	...	Year 1950		123
Gas and Electricity	...	November, 1950		124
Iron and Steel	...	November, 1950		124
Industrial Disputes	...	November, 1950		124
Wages and Salaries	...	September, 1950		124
New South Wales Railways	..	November, 1950		125
Air Transport	...	Year 1949-50		125
Oversea Migration	...	September, 1950		126
Motor Vehicle Registrations		November, 1950		126
<u>PART 2 : FINANCE AND TRADE.</u>				
Trading Banks	...	November, 1950		127
Savings Bank Deposits	...	November, 1950		127
Inter-bank Clearings	...	Year 1950		127
Commonwealth Bank	...	December, 1950		128
Sydney Stock Exchange	...	December, 1950		128
Retail Trade, Sydney	...	October, 1950		129
New South Wales Accounts	..	November, 1950		130
Company Registrations	...	Year 1950		130
Real Estate	...	Year 1950		131
Commonwealth Accounts	...	December, 1950		131
<u>PART 3 : RURAL INDUSTRIES.</u>				
The Season	...	...		132
Dairying	...	...		132
Wheat	...	...		132
Wool	...	...		133

GENERAL.

The work force in New South Wales continues to increase mainly through the intake of migrants; coal production in 1950 was a record, and output of other basic industries also rose over previous years. But the demand for all types of labour, as well as for coal, steel and electricity, still outstrips current supplies, and industrial production suffers in consequence.

High export incomes and local expansion are reflected in the rising trend of bank deposits, cheque turnovers, the note issue and share prices. Savings bank deposits, however, have not increased in recent months.

PART I. EMPLOYMENT AND NON-RURAL INDUSTRIES.

EMPLOYMENT - New South Wales.

An increase of 5,600 persons in November 1950 brought total employment (excluding rural and women domestics) in New South Wales to the record figure of 1,037,500 (748,300 men and 289,200 women), making an increase of 36,500 over the preceding twelve months. Commonwealth Employment Service reports for New South Wales indicate that this rise has not eased the general labour shortage. Unfilled vacancies registered rose by 10,000 over the year to 46,400 while the number of registered applicants for employment or change of position fell from 8,800 to 7,800; only 133 persons received unemployment benefits at the end of November, 1950. The unfilled labour demand extends to practically all types of occupations, in particular to skilled workers, such as building and metal tradesmen.

WAGE & SALARY EARNERS - NEW SOUTH WALES. Excluding Rural Workers and Female Domestics in Private Households - in Thousands.

	<u>Employment.</u>			<u>Increase on previous Month.</u>		
	<u>Males.</u>	<u>Females.</u>	<u>Total.</u>	<u>Males.</u>	<u>Females.</u>	<u>Total.</u>
July - 1939	529.9	168.0	697.9			
November 1948	708.1	269.7	977.8	3.4	2.2	5.6
November 1949	725.2	275.8	1,001.0	5.0	2.6	7.6
August 1950	742.8	279.6	1,022.4	2.4	0.6	3.0
September 1950	744.9	281.7	1,026.6	2.1	2.1	4.2
October 1950	746.2	285.7	1,031.9	1.3	4.0	5.3
November 1950	748.3	289.2	1,037.5	2.1	3.5	5.6

The principal source of new labour in recent years has been immigration, mainly New Australians from displaced persons camps and British migrants. At the end of November, 1950 25,600 displaced persons (19,900 men and 5,700 women) were employed on contract work in New South Wales principally on construction & building projects, in iron & steel, textile & clothing factories, sawmills, hospitals and other service industries. As shown in the table below they provided on balance over one half of the additional workers engaged by some of these industries during the past two and a half years (i.e. since the inception of the D.P. scheme) and about one-third of the total increase in non-rural employment during this period. These figures do not include migrants who have completed their Government contract and are now free to choose their own jobs.

New South Wales. D.P.'s placed at 24/11/1950 Total Employment Increase June 1948 to November 1950.

<u>Factories.</u>			
Metal Trades	Men	4,100	7,400
Textiles	Men & Women	700	1,300
Clothing	Men & Women	700	1,300
Sawmilling, etc.	Men	800	nil
All Factories	Men	8,000	13,600
	Women	2,200	10,200
Building & Construction	Men	7,400	10,500
Profess. & Personal	Men	1,200	2,500
(excl. female domestics)	Women	2,300	4,300
Total, (excl. rural & female domestics)	Men	18,000	46,000
	Women	4,500	27,300
	Persons	22,500	73,300
Rural Industries	Men	1,800	
	Women	300	
Private Domestics	Women	900	n.a.
Total D.P. in Jobs	Men	19,900	
	Women	5,700	

The main movements in New South Wales employment in November 1950 were a seasonal increase of 3,500 in retail staffs and smaller rises in finance & trade, factories and building & construction. Because of wharf disputes the employment figure for stevedoring (in the transport group) was reduced by 1,700 to 10,000 during the month. Commerce, finance, building and communications show proportionally the largest gains in employment during the twelve months ended November 1950; in factories there have been notable increases in the metal, paper & printing trades and in textile mills.

EMPLOYEES IN MAIN INDUSTRIES - NEW SOUTH WALES (in thousands)

Month.	Factories.	Building & Construction	Mining & Quarrying.	Transport & Communication.	Retail Trade	Commerce and Finance	Professional & Personal Services	Other	Total Wages & Salary
1939-July	218.1	58.4	24.8	81.6	80.0	67.5	105.7	61.8	697.9
1945-July	302.3	34.9	24.9	100.5	67.7	56.7	115.4	85.5	787.9
1948-Nov.	360.3	63.3	27.6	121.7	95.4	85.6	145.8	78.1	977.8
1949-Nov.	364.6	67.3	28.6	126.2	94.3	90.9	148.7	80.4	1001.0
1950-Sept.	376.2	71.2	28.7	129.9	95.0	94.7	150.6	80.3	1026.6
Oct.	378.0	71.5	28.9	129.8	97.1	95.5	151.0	80.1	1031.9
Nov.	379.2	71.9	29.0	128.7	100.6	96.6	151.1	80.4	1037.5
% Increase									
Nov.1949-Nov.1950	4%	7%	1%	2%	7%	6%	2%	.	4%

COAL PRODUCTION - New South Wales and Australia.

New South Wales coal output for 1950, estimated at 12.8 mill. tons, was the highest on record. In comparison, production in the early 1920's was 10-11½ mill. tons a year, dropping to 6½ mill. tons in 1931 and recovering to 10 mill. tons in 1938; during the war a peak of 12.2 mill. tons was reached (1942) which was not surpassed until 1950. Underground production in 1950, 11.2 mill. tons, was actually less than in 1942 and 1943, and the rise in total output is due mainly to the development of open-cuts which contributed one-eighth of the total in 1950. These production figures do not take account of the varying quality of coal mined. The principal expansion in 1950 over 1948 and 1949 was on the Northern and Southern fields.

COAL - GROSS OUTPUT IN NEW SOUTH WALES.

Year.	District.			All Districts.		
	Northern	Southern	Western.	Underground	Open Cut	Total
	Million tons					
Av. 1936-38 ...	6.39	1.78	1.44	9.61	.	9.61
1942 ...	8.30	1.64	2.26	12.14	0.06	12.20
1945 ...	6.78	1.63	1.77	9.66	0.52	10.18
1947 ...	7.88	1.89	1.91	10.72	0.96	11.68
1948 ...	7.78	1.92	2.02	10.47	1.25	11.72
1949 ...	6.83	1.90	2.01	9.39	1.35	10.74
1950 ...	8.32	2.40	2.07	11.20	1.59	12.79

Pre-war average from Mines Department; later figures from Joint Coal Board. 1950 subject to revision.

Black coal output in the other States has also been expanded in recent years; output averaged 1.16 mill. tons a year in 1937-39, 3.37 mill. tons in 1949 and about 3.75 mill. tons in 1950. However, only Queensland and Western Australia produce enough (or nearly so) for their own requirements, and the Southern States rely largely on supplies from New South Wales, particularly gas coal. Australian supplies have been supplemented by imports, mainly from India and South Africa, totalling 440,000 tons in 1949 and approx. 650,000 tons in 1950, so that black coal supplies in 1950 for Australia were in the vicinity of 17 mill. tons as against 14½ mill. tons in 1949.

BLACK COAL PRODUCTION, Australia, in thousand tons.

	New South Wales.	Queensland.	West. Aust.	Vic-toria.	Tasmania	Sth. Aust.	TOTAL Australia
Average 1937-39	10,273	1,184	572	310	91	.	12,430
1947	11,685	1,888	731	179	160	179	14,822
1948	11,721	1,742	733	168	179	239	14,782
1949	10,736	1,972	751	122	182	344	14,107
1950	12,790	2,335	815	136	210	270	16,556

GAS AND ELECTRICITY - New South Wales and Sydney.

Production of gas and electricity in New South Wales in November 1950 was 3% and 8% respectively higher than in November 1949, and the index of gas and electricity consumption for Sydney (seasonally adjusted) reached the record of 101% above the 1937-39 average. However, the demand for electricity for domestic and industrial use has so greatly increased that the current level of generation remains insufficient to meet the demand continuously.

	<u>PRODUCTION - New South Wales.</u>		<u>CONSUMPTION - Sydney Index (Seasonally Adjusted) 1936-37 to 1938-39 = 100</u>
	<u>Gas.</u> Mill.cub.ft.	<u>Electricity</u> mill.kWh.	
1938-39	10,896	1,948	104
1948-49	18,151	3,717	179
1949-50	18,031	3,756	178
November 1948	1,449	305	185
1949	1,546	324	195
1950	1,586	348	201

IRON AND STEEL PRODUCTION - New South Wales.

The rate of iron and steel output in 1950 rose above the level of earlier post-war years but was still below the production of the early war years and remained insufficient for the growing demand. Pig iron output in New South Wales exceeded 100,000 tons a month from August 1950 onward; about 15,000 tons a month are produced at Whyalla S.A. and most of that is shipped to New South Wales. Ingot steel output in New South Wales averaged 130,000 tons in recent months.

Thousand tons.	<u>Month of 1950</u>			<u>Eleven Months ended November -</u>			
	<u>September</u>	<u>October</u>	<u>November.</u>	<u>1947.</u>	<u>1948.</u>	<u>1949.</u>	<u>1950.</u>
Metallurg.Coke,							
N.S.W.	139	140	142	n.a.	n.a.	988	1244
Pig Iron,N.S.W.	106	112	103	887	858	810	1054
Pig Iron,Whyalla,							
S.A.	16	16	15	188	184	95	136
Ingot Steel,N.S.W.	136	133	131	1128	1079	999	1307

INDUSTRIAL DISPUTES - New South Wales.

Dispute losses in industries other than coal mines were comparatively heavy in October and November 1950. Most of them were due to wage demands. The principal non-mining industries affected in November were the water-front and engineering works.

INDUSTRIAL DISPUTES - New South Wales - Thousand Man-Days Lost.

	<u>Monthly Average -</u>			<u>September.</u> <u>1950.</u>	<u>October.</u> <u>1950.</u>	<u>November</u> <u>1950.</u>
	<u>1937-39</u>	<u>1946-48</u>	<u>1949</u>			
Coal Mines	39	32	61	31	32	21
Other Employment	14	47	23	33	79	87
TOTAL	53	79	84	64	111	108

WAGES AND SALARIES - New South Wales.

Total weekly wages paid in New South Wales rose from about £4 to £5 mill. in the period 1941-45 to £10 mill. in September quarter 1950. Annual increases (between September quarters) were 18% in 1946-47, 20% in 1947-48, 3% in 1948-49 and 25% in 1949-50; however, the 1949 figure was affected by the coal strike. Some of the upward trend is due to expanding employment but a rise in average earnings has been the major factor. Over the four years ended September quarter 1950 the weekly wage for adult males rose by 45%; the index of nominal wages for adult males which is based on award rates in different industries, rose a little more, by 49%, and average weekly earnings per male unit, which include salaries, overtime and other payments in excess of awards, increased still more, by 16% in 1949-50 and by 56% over the four years.

AVERAGE WEEKLY WAGES AND EARNINGS, New South Wales (incl. A.C.T.)
(Figures in brackets indicate per cent. increase on previous year)

	Total Weekly Wages Paid.	Average Weekly Earnings (a)	Weekly Basic Wage, Sydney (b)	Nominal Wage Rate Index, Adult Males (c)
	£mill.	£ per male unit	Adult males	1938-39 = 1000
Year 1941-42	4.20	5.15. 6	4. 10. 6	1131
Sept. Qtr. 1946	5.50	6.14. 0	5. 1. 0	1300
1947	6.48 (18%)	7. 8. 0 (10%)	5.12. 0 (11%)	1446 (11%)
1948	7.76 (20%)	8.11. 6 (16%)	6. 2. 0 (9%)	1633 (13%)
1949	7.98 (3%)	9. 0. 0 (5%)	6. 12. 0 (8%)	1776 (9%)
June Qtr. 1950	9.71	10. 4. 6	7. 2. 0	1884
Sept. Qtr. 1950	9.99 (25%)	10. 9. 2 (16%)	7. 6. 0 (11%)	1938 (9%)
Increase 1946-50	82%	56%	45%	49%

(a) Includes overtime, loadings, piecework earnings. Male units derived by adding 45% of female employment to male employment.

(b) Adult males, Sydney.

(c) Seasonally adjusted.

In Australia as a whole, average weekly total wages rose ^{from} £10-12 million in 1941-46 to £24½ mill. in September quarter 1950.

NEW SOUTH WALES RAILWAYS.

Passenger traffic on the State railways during the five months ended November 1950 was at record levels and goods traffic was the highest since the war. Earnings rose correspondingly but were exceeded until October by working expenses. In November, the first full month under the increased fare and freight schedule, earnings were £4.25 mill., 14% more than in November 1949, while working expenses, £3.69 mill., were 16% higher than in that month. The surplus on working account of £562,000 for November was the highest since August 1948; it turned the aggregate deficiency of £381,000 for the previous four months into a surplus of £181,000.

NEW SOUTH WALES GOVERNMENT RAILWAYS.

Year	Five months ended November					Month of November	
	Passenger Journeys	Goods (excl. Livestock)	Gross Earnings	Working Expenses	Net (a) Earnings	Gross Earnings	Working Expenses
	Millions	Mill. tons	£mill.	£mill.	£mill.	£mill.	£mill.
1939	74.0	6.81	8.61	5.87	2.74	1.74	1.15
1948	109.2	7.49	16.27	13.91	2.36	3.30	2.86
1949	101.8	5.99	14.38	14.59	-0.21	3.73	3.20
1950	111.6	7.64	18.83	18.65	0.18	4.25	3.69

(a) Excess of gross earnings over working expenses; excluding Government contribution £800,000 for developmental lines, and Commonwealth grant in 1949.

AIR TRANSPORT - Regular Services with Terminals in New South Wales.

The post-war expansion in air transport continued in 1949-50 though not as strongly as in earlier years. Mileage flown by all services with terminals in New South Wales increased at the rate of 5 mill. miles a year between 1944-45 and 1947-48, by about 2 mill. in 1948-49 and by a further 1 mill. in 1949-50 (to 24½ mill. miles). Hours flown in 1949-50 were slightly less than in 1948-49. Passenger Journeys rose from 834,000 in 1948-49 to 908,000 in 1949-50; about three-quarters of that traffic is on interstate routes, mostly to and from other capitals, but traffic within the State has increased considerably during the past four years and there is also more overseas traffic. Even more striking than the growth in passenger traffic is the increase in air cargoes on interstate and intra-state routes. Freight tonnage on all routes rose from 15,682 tons in 1948-49 to 21,889 tons in 1949-50, that is nine times the 1945-46 figures while passenger traffic rose four-fold during this period.

/ AIR TRANSPORT , , , , ,

AIR TRANSPORT - REGULAR SERVICES WITH TERMINALS IN NEW SOUTH WALES.

<u>Year ended June</u>	<u>1945.</u>	<u>1946.</u>	<u>1947.</u>	<u>1948.</u>	<u>1949.</u>	<u>1950.</u>
<u>Passenger Journeys.</u>			Thousand	Persons		
Intrastate	4	8	54	96	120	154
Interstate	134	198	398	570	669	698
Oversea	6	16	32	42	45	58
All Services	<u>144</u>	<u>222</u>	<u>484</u>	<u>708</u>	<u>834</u>	<u>910</u>
<u>Freight & Mail Carried</u>			Tons			
Intrastate	5	24	358	471	632	1,351
Interstate	3,107	3,199	6,155	11,145	14,923	20,893
Oversea	140	717	814	1,208	1,333	1,750
Freight - All Services	<u>1,232</u>	<u>2,414</u>	<u>6,363</u>	<u>11,744</u>	<u>15,682</u>	<u>21,899</u>
Mail - All Services	<u>2,020</u>	<u>1,526</u>	<u>964</u>	<u>1,080</u>	<u>1,206</u>	<u>2,070</u>
<u>Miles Flown</u>			Thousand	Miles		
All Services	<u>5,439</u>	<u>10,669</u>	<u>15,794</u>	<u>21,656</u>	<u>23,753</u>	<u>24,851</u>
<u>Hours Flown</u>			Thousand	Hours.		
All Services	<u>30</u>	<u>68</u>	<u>97</u>	<u>131</u>	<u>140</u>	<u>139</u>

Note: Intra-state passengers carried on interstate lines counted in the latter service.

OVERSEA MIGRATION. - Australia.

In the first nine months of 1950 129,039 migrants arrived in Australia intending to settle permanently and 15,549 persons left Australia permanently, so that the net gain from migration was 113,490 or about 11,000 more than in the same period of 1949. Of the 113,490 41% were of British nationality, 6% Dutch, 8% Italian and most of the balance were displaced persons.

	<u>Net Migration - AUSTRALIA (1)</u>			<u>Net Migration - N.S.W. (Persons)</u>		
	Males.	Females.	Persons.	Oversea.	Interstate.	Balance.
Year - 1947	7,497	4,689	12,186	3,615	- 4,041	- 426
1948	27,358	21,110	48,468	28,555	- 10,624	17,931
1949	87,855	61,415	149,270	66,163	7,980	74,143
Jan.-Sept.1950	69,119	44,371	113,490	38,516	n.a.	n.a.

(1) Excess of permanent arrivals over departures.

An occupational analysis of migrants (excess permanent arrivals over departures) during the first nine months of 1950 is shown below:

	<u>Males.</u>	<u>Females.</u>	<u>Total.</u>
Rural, Fishing & Hunting	10,033	618	10,651
Craftsmen, Operatives, Labourers	32,910	3,127	36,037
Commercial & Clerical	3,943	1,984	5,927
Professional	1,470	861	2,331
Not gainfully occupied -			
Children & Students	15,579	14,307	29,886
Other (incl. housewives)	400	20,699	21,099
Other (incl. not stated)	14,784	2,775	17,559
TOTAL	<u>69,119</u>	<u>44,371</u>	<u>113,490</u>

MOTOR VEHICLE REGISTRATIONS - New South Wales.

In the eleven months ended November, 1950, 46,746 new cars were registered in this State, and the total on the register rose by 40,528 to 288,202. In the same period 26,862 new lorries, utilities and vans brought the total on the register to 168,938.

<u>Monthly Average.</u>	<u>New Vehicles Registered, N.S.W.</u>		<u>On N.S.W. Register at end of Period.</u>	
	Cars	Lorries, Utilities and Vans.	Cars.	Lorries, Utilities and Vans.
1937-39	1,764	764	213,331	76,726
1948	1,800	846	222,104	134,620
1949	2,492	1,201	247,674	149,022
Jan.-Nov.1950	4,250	2,442	288,202	168,938

PART II : FINANCE AND TRADE.

Trading Banks - Australia.

Between August and November 1950 deposits of the nine principal trading banks in Australia rose seasonally by £113 mill. to £1,096 mill. which compares with rises of about £75 mill. in the corresponding period in 1949 and 1948. In 1950 some of the increased funds from customer's deposits and from advances from the Commonwealth Bank (as shown by a rise of £5 mill. in "balances due to other banks") were absorbed by re-deposit on Special Account with the Commonwealth Bank (£39 mill.), and some were lent to customers (£31 mill.). The balance was used to increase the banks' holdings of cash (£5 mill.) and apparently also of London Funds (as indicated by a fall of £39 mill. in the excess of assets over liabilities in Australia during the three months ended November, 1950). An increase in holdings of Treasury bills was largely offset by a reduction in other Government securities.

Both total deposits and advances were at record levels in November 1950 and exceeded the figures for November 1949 by 27% and 17% respectively.

PRINCIPAL TRADING BANKS - Business within Australia - £ million.

Month (Weekly averages)	Customers' Deposits.			Balances due to Other Banks.	Advances to Custom- ers. (a)	Public Secur- ities.	Special A/c. with C'wth. Bank.	Treas- ury Bills.	Cash Items.
	Interest Bearing	Current (a)	Total.						
1938-Nov.	198	119	317	1	290	19	.	19	34
1948-Nov.	213	551	764	25	374	60	287	29	49
1949-Aug.	213	578	791	38	390	73	326	13	47
-Nov.	221	644	865	21	405	76	320	31	56
1950-Apr.	239	779	1018	41	415	95	457	29	54
-Aug.	244	739	983	45	424	97	441	16	52
-Oct.	249	808	1057	45	465	85	459	30	58
-Nov.	250	846	1096	50	475	81	480	33	57

(a) Following technical adjustments in bank returns, deposits and advances were reduced by £9m. as from January, 1949, and a further £3m. in July, 1949.

SAVINGS BANK DEPOSITS.

Savings activity in this State has diminished in recent months. Withdrawals from Commonwealth Savings Bank accounts in New South Wales exceeded new deposits in August, October and November and cancelled them out in July and September. In 1948 and 1949 November had yielded a net increase in savings and for the five months ended November total deposits had risen by £1.1 mill. in 1948 and £3.9 mill. in 1949. But in November, 1950 they remained practically unchanged at £259 mill. Apart from movements in savings deposits, about £200,000 to £300,000 worth of (war) savings certificates have been cashed each month during the current year in this State.

SAVINGS BANK DEPOSITS (£ million)

Period.	New South Wales.				Total Deposits End of Period	
	Deposits Lodged.	Withdrawals Made.	Net Increase or Decrease (-)	Interest Added.	N.S.W.	Australia.
1938-39 July-June	66.6	67.2	(-) 0.6	1.6	87.5	245.6
1949-50 July-June	201.5	191.3	10.2	4.2	259.0	762.1
1948 -July-Nov.	70.6	69.5	1.1	.	238.0	688.5
1949 -July-Nov.	79.8	75.9	3.9	.	248.4	729.5
1950 -July-Nov.	91.0	91.0			259.0	766.7

INTER-BANK CLEARINGS - SYDNEY.

The growing money value of transactions during 1950 is reflected in the rise in cheques cleared. Their total value in Sydney for the year was £3,883 mill. (which excludes £35 mill. from loan subscriptions), that is an increase of 31% over 1949 and 50% over 1948. The 1950 figure was four times as high as the 1939 turnover.

INTER-BANK CHEQUE CLEARINGS - Sydney (a)

Period.	1939	1946	1947	1948	1949	1950	% Increase on previous year.			
							1947	1948	1949	1950
		£ millions								
March Quarter	222	389	459	545	634	874	18%	19%	16%	38%
June Quarter	233	448	540	663	770	924	21%	23%	16%	20%
September Quarter	221	486	518	655	719	932	7%	26%	10%	30%
December Quarter	256	503	587	715	850	1153	17%	22%	19%	36%
Year	932	1,826	2,104	2,578	2,973	3,883	15%	22%	15%	31%

(a) Excluding Government Loan Subscriptions.

COMMONWEALTH BANK - Australia. Central Bank & Note Issue.

The main force in Central Bank expansion in recent years has been the growth of international reserves. "Gold & Balances Abroad" rose by £173 mill. in 1948, £67 mill. in 1949 and a further £149 mill. to £567 mill. at the end of 1950. It also appears that some additional overseas funds have been invested in British securities during the past two years and are included under "Government & Other Securities", thus partly offsetting a reduction in this item due to smaller holdings of Australian securities.

Part of the rise in trading bank deposits is being absorbed on "Special Account" with the Commonwealth Bank, which rose by £56 mill. in 1948, £38 mill. in 1949 and £129 mill. in 1950 to a total of £486 mill. A rise of £35 mill. in "Other Assets" of the Central Bank during 1950 suggests that trading banks have used more temporary accommodation to maintain their liquidity. "Other Liabilities", which include Government balances, rose by £18 mill. over the year, and the banks also increased their free accounts with the Central Bank.

COMMONWEALTH BANK - CENTRAL BANKING BUSINESS, including Note Issue (£ millions).

Last Week of Month	Notes on Issue held by -			Trading Banks		Other Liabilities (a)	Gold & Bal'ces. abroad.	Govt. & other Securities	Other Assets (b)
	Public	Banks	Total	Special A/c.	Other Dep's.				
1946-December	185	23	208	268	29	109	224	386	6
1947-December	180	25	205	263	30	159	178	466	15
1948-June	174	23	197	294	28	178	255	397	39
-December	188	29	217	319	22	183	351	358	36
1949-June	189	24	213	370	24	183	392	340	56
-December	207	33	240	357	31	200	418	384	31
1950-June	203	28	231	442	33	217	519	342	62
-December	n.a.	n.a.	272	486	43	218	567	387	66

(a) Excluding capital and reserve funds. (b) Excluding coins and bills held.

Apart from seasonal fluctuations the note issue in Australia remained steady between £195 and £200 mill. in the years 1946, 1947 and 1948. Thereafter public cash requirements increased, and the note issue rose to £219 mill. in November 1949 and £242 mill. in November, 1950. The extra Christmas issue of £29 mill. in 1950 was also higher than in previous years. The note issue reached a peak of £271 mill. at the end of 1950 - about five times the 1939 figure.

AUSTRALIAN NOTE ISSUE.

Year	Last Wednesday of November.	December Peak.	Seasonal Increase
	£ million		
1939	52.0	57.3	5.3
1946	198.2	208.4	10.2
1947	195.6	207.9	12.3
1948	199.4	217.6	18.2
1949	218.8 (23rd Nov.)	239.6	20.8
1950	242.0 (22nd Nov.)	271.3	29.3

SYDNEY STOCK EXCHANGE.

Share prices at the Sydney Stock Exchange reached an all-time peak late in November 1950, dropped sharply in the first week of December but partly recovered towards the end of the year. The December indexes were about the same as for November.

/INDEX OF SHARE PRICES..

INDEX OF SHARE PRICES - Sydney (Compiled by N.S.W Govt. Statistician).

Month	Manufact'g & Distributing	Retail	Public Utilities	Pastoral Finance	Insurance	Total 75 Companies	34 Active Shares
1939-August	212.6	168.2	156.0	118.2	263.9	174.4	181.9
1942-March	173.0	138.3	120.8	110.3	213.7	140.6	147.0
1946-December	292.4	251.6	197.3	160.7	322.5	229.7	247.2
1948-January	361.4	315.5	184.7	191.7	407.8	271.5	283.7
1949-December	365.6	295.3	158.1	193.1	497.3	265.9	273.7
1950-July	390.0	320.9	153.9	219.9	579.0	289.1	292.0
-September	419.1	330.4	157.2	254.3	601.6	306.4	310.4
-October	429.1	338.5	156.5	249.8	611.2	312.1	315.4
-November	468.1	357.9	164.3	279.4	673.0	334.8	335.7
-December	468.3	356.8	164.6	279.3	683.6	334.9	334.3

(Regulations restricting trading and price movement in company shares, imposed in February, 1942, with subsequent amendments, were rescinded in January, 1947).

In 1950 share turnovers were heavier and price fluctuations greater than in recent years. The monthly index for 75 company shares in 1947 (the first year of free trading after the war), 1948 and 1949 moved only by about 6% above and below the annual average of 1947, while the strong upward trend beginning in July 1950 lifted the annual average for 1950 to 17% (and the December figure to 31%) above the 1947 level. Of the component series insurance, pastoral finance and the industrial series showed the greatest gains in recent years. The 1950 average for the 75 companies was about two-thirds above the 1937-39 figure, but because of the changing capital structure of companies such long-term comparisons might be misleading.

INDEX OF SHARE PRICES - Sydney - Year 1947 = 100.

	Manufact'g & Distributing	Retail	Public Utilities	Pastoral Finance	Insurance	Total 75 Companies	34 Active Shares.
Year 1948	108	101	91	108	106	103	104
Year 1949	104	93	83	107	120	97	99
Year 1950	124	105	82	136	151	112	117
December -1950	142	115	85	164	175	124	131

After the lifting of capital issue controls in January 1950 the number and value of new share issues rose considerably. A compilation made by the Sydney Morning Herald shows that during the year 382 public companies made issues totalling £65 mill. in Australia, compared with £46 mill. and £38 mill. in the two preceding years and an average of £6 mill. a year in 1937-39. A special feature of 1950 has been the comparatively large number of extra profit distributions in the form of bonus share issues from revaluation of assets or special reserves; the Herald lists 95 companies with bonus issues totalling about £13 mill.

RETAIL TRADE - Large Sydney Stores.

Turnovers of the large Sydney stores (measured by the percentage increases over the same period of the previous year) have risen substantially since July, 1950. The percentage increases over the year before were 7% for 1949 and 9% for the first half of 1950, while for the September quarter they were 33% and October 21%. For the September quarter comparison, the reduced turnover during last year's coal strike must be taken into consideration; apart from that price rises are probably responsible for much of the increase. The principal rises in recent months were in the piecegoods, hardware and furniture sections. The value of stocks held has not risen to the same extent.

RETAIL TRADE - LARGE SYDNEY STORES.

Percentage increase or decrease (-) on corresponding period of previous year.								
	1947	1948	1949	1950	1947	1948	1949	1950
	VALUE OF SALES.				VALUE OF STOCKS (End of Period)			
	%	%	%	%	%	%	%	%
March Quarter	15	20	17	9	39	26	9	4
June Quarter	19	18	6	10	38	27	7	6
September Qtr.	24	16	(-) 5	33	30	18	8	3
October	23	4	10	21	25	16	6	9
Ten months	20	16	6	18	34	22	7	5

The upward trend in turnovers in recent months is also reflected in sales at wholesale, as shown in sales tax returns.

WHOLESALE TRADE - New South Wales.

(Sales of taxable and exempt goods by traders reg'd. under Sales Tax Acts.)

Sept. Quarter.	1939	1945	1946	1947	1948	1949	1950
£mill.	51	66	83	92	114	113	162

NEW SOUTH WALES ACCOUNTS.

The excess of State revenue over expenditure for the current financial year was reduced from £4.06 mill. at the end of October to £3.80 mill. in November; tax reimbursements received during the month were a little higher than earlier in the year and, for the first time since July, the business undertakings showed a small surplus on working account. Taking the five months ended November 1949 and 1950 receipts from tax reimbursements rose £1.83 mill., from State taxation £1.19 mill. and from other Government sources £655,000, while an additional £2.22 mill. was required for Governmental expenditure. However, the financial position of the transport undertakings, in particular the railways, deteriorated noticeably over the year and their working accounts showed an aggregate deficiency of £429,000 in the 1950 period as against surpluses of £2.35 mill. in 1949 (including strike grants) and £2.32 mill. in 1948.

NEW SOUTH WALES ACCOUNTS (£ thousands).

Revenue Item.	July to November			Expenditure Item.	July to November		
	1948	1949	1950		1948	1949	1950
From Commonwealth(1)	7,896	8,557	10,387	Net Debt Charges	6,485	6,429	6,953
State Taxation	4,301	4,376	5,565	Other ex Debt Charges			
Other Governmental	3,441	4,491	5,146	Governmental	12,808	15,817	17,516
Railways (2)	15,959	16,474	18,192	Railways	13,888	14,648	18,936
Tram & Bus Services (2)	3,262	3,904	4,021	Tram & Bus Services	3,298	3,659	4,092
Sydney Harbour	635	657	795	Sydney Harbour	346	379	409
TOTAL REVENUE	35,494	38,459	44,106	TOTAL EXPENDITURE	36,825	40,932	47,906

- (1) Reimbursements of taxes & payments towards interest.
 (2) Including in 1949 Commonwealth grants towards losses due to coal strike, £3 mill. for railways and £200,000 for trams and buses.

Net loan expenditure was £11.58 mill. in the five months of 1950, compared with £10.23 mill. in 1949 and £6.92 mill. in 1948.

COMPANY REGISTRATIONS - New South Wales.

Commercial and industrial expansion in this State during 1950 is reflected in the record figures of company capital issues. The total nominal capital of new public companies registered during the year rose from £22 mill. in 1949 to £33 mill. in 1950, about ten times as much as in 1939, and for new proprietary companies from £29 mill. in 1949 to £40 mill. Capital increases in 1950 were also a record both in numbers (523) and amount (£84 mill.). The number of companies operating in this State rose from 8,639 at the end of 1939 to 14,957 in 1950 (1,369 public and 13,235 proprietary companies and 353 limited by guarantee), and the number of "foreign" companies increased likewise from 1,123 to 1,626.

Year.	REGISTRATIONS OF LIMITED COMPANIES IN N. S. W. (1)						COMPANIES OPERATING IN N.S.W. (2)	
	New Registrations				Increases of Capital		IN N.S.W. (2)	
	Public		Proprietary		Capital		LOCAL.	FOREIGN
	No.	Nom. Capital.	No.	Nom. Capital.	No.	Nom. Capital.	No.	No.
		£million		£ million		£ million		
1939	34	3.27	811	12.84	99	5.98	8,639	1,123
1946	14	2.48	1,535	21.93	169	7.22	10,235	1,275
1947	20	2.48	1,601	34.07	296	23.16	11,800	1,357
1948	39	11.60	1,534	36.52	296	30.44	13,205	1,462
1949	38	21.62	1,022	29.11	317	35.26	13,907	1,528
1950	63	33.32	1,345	40.02	523	83.73	14,957	1,626

- (1) Excluding a small number of companies limited by guarantee and foreign companies.
 (2) As at end of year for number of companies operating.

REAL ESTATE, MORTGAGES & LIENS - New South Wales.

Real estate turnovers in New South Wales have greatly increased since property controls were lifted in September 1949. The number of transactions registered in 1950, 109,767, was 18% greater than in 1949 and about $2\frac{1}{2}$ times the 1936-38 average, while their value in 1950, £165 mill., was twice that of 1949 and $4\frac{1}{2}$ times the pre-war figure. City agents report that the expansion in 1950 occurred in residential as well as commercial and industrial property turnovers. The value of new mortgages on real estate (excluding those for which no specific value was stated in the deed) also was a record in 1950 (£65½ mill.) although the rise was less than for real estate sales. Before the war mortgage registrations were equivalent to about two-thirds of sales, in 1949 to 54% and in 1950 to 40%. The principal rise in post-war years has occurred in first mortgages on urban property granted by home finance agencies. Because of good seasons and present high returns primary producers have become less dependent on loan finance. The number of livestock mortgaged and of sheep and crops given as security for loans fell in 1950 to less than half the pre-war figure. The value of stock mortgages and liens slightly increased because of higher prices but for crop liens it fell in 1950 to less than one-fifth of the 1936-38 average.

REAL ESTATE, MORTGAGES, LIENS - New South Wales.

Yearly Average & Year.	SALES		MORTGAGES.			LIENS.			
	Number	Value	Real Estate.	Livestock		On Wool		On Crops	
			Value	Sheep	Value (1)	Sheep	Value	No.	Value
1936-38	44,375	£mill.	£mill.	mill.	£mill.	mill.	£mill.		£mill.
1946	81,196	36.11	23.77	5.18	1.80	7.36	2.98	4,188	1.74
1947	80,592	50.68	21.38	2.49	1.20	2.99	1.54	1,558	0.68
1948	80,957	57.22	25.99	2.44	1.69	2.62	1.89	1,797	0.79
1949	80,957	59.46	31.46	2.61	2.54	2.48	2.28	989	0.41
1949	92,895	82.26	44.89	2.50	2.84	2.61	2.92	944	0.42
1950	109,767	165.00	65.58	2.30	2.86	2.50	3.76	651	0.38

(1) Mortgages on sheep, cattle and horses.

COMMONWEALTH ACCOUNTS.

Tax collections in the first half of 1950 exceeded those for the six months ended December 1949 by £9.4m. Excise and pay-roll tax revenue exceeded half the amount budgeted for the full year. Sales tax collections (£24.7,.) included about $2\frac{1}{2}$ months under the new rates which were estimated to raise the yield for the year from £51m. (at old rates) to £58m. Income tax and Social Services Contributions which are budgeted for the year at £32.4m. more than in 1949-50 yielded £3.4m. more in the first six months, as most of it is not paid until June quarter these figures give no indication of the final yield for the year. Only £410,000 for Wool Deduction had been received by the end of December 1950.

Commonwealth expenditure rose from £268.7m. in the last six months of 1949 to £309.1m. in 1950, but were then only 40% of the budget figure for the full year. The principal item below the budget rate was Defence with £33.9m. for the six months of 1950 (£18½m. in 1949) as against an estimate of £133.4m. for the year.

COMMONWEALTH GOVERNMENT ACCOUNTS (£ million)

REVENUE				EXPENDITURE.			
Item.	Six Months ended December		Budget Year 1950-1	Item.	Six Months ended December		Budget Year 1950-1
	1949	1950			1949	1950	
Customs & Excise	69.5	79.3	162.0	Social Services	46.9	55.1	127.0
Sales Tax	20.2	24.7	58.0	States: Tax Reimb.	24.9	30.0	75.3
Income Tax & SOC	86.6	90.0	312.0	Other	23.7	18.9	35.9
Wool Deduction	.	.4	103.0	Defence	18.5	33.9	133.4
Pay Roll Tax	10.8	13.0	26.0	War & Repat. (2)	47.5)	33.3	97.3
Entertainment Tax	2.3	2.2	4.7	Subsidies		16.4	44.4
Other Taxes	4.3	3.5	10.9	Capital Works	27.4	30.6	69.2
Total Taxation	193.7	213.1	676.6	Debt Charges	33.9	35.0	69.0
PMG & Broadcasting	19.2	22.1	47.7	PMG & Broadcasting (3)	21.0	24.9	49.6
Other Revenue	13.1	6.7	14.4	Other Expenditure	24.9	31.0	66.2
TOTAL REVENUE (1)	226.0	241.9	738.7	TOTAL EXPENDITURE (1)	268.7	309.1	767.3

(1) Self-balancing items (Primary Production) are excluded. (2) Includes debits to loan funds: £42.7m. in 1949, £14.3m. in 1950 and £29m. provided in 50-51 budget. (3) Excepting debt charges and capital works.

PART III: RURAL INDUSTRIES.

THE SEASON.

Rainfall in rural areas in December 1950 was below the seasonal average and so gave some respite of the excessive falls of previous months. Throughout the year rainfalls in seven months greatly exceeded normal and for the other five months they were at or a little below normal. After three excellent seasons, 1947, 1948 and 1949 in which the rainfall was near or slightly above normal the annual index for 1950 rose from 60% to 112% above the average in the principal districts. Pastures in many districts remained in excellent condition, but in others they suffered damage from floods, and excessive rainfalls greatly reduced crop sowings and yields in 1950.

RAINFALL INDEX - NEW SOUTH WALES - "Normal Rainfall" = 100 for each Month & Year.

	Sheep Districts.					Wheat Districts.				Coastal Dairying Dists.			
	N.	C.	S.	W.	Total.	N.	C.	S.	Total.	N.	C.	S.	Total.
1946-Year	77	68	101	87	83	62	69	102	88	84	89	80	85
1947-Year	126	131	119	145	127	118	130	124	125	118	109	96	113
1948-Year	102	103	99	92	101	98	100	96	97	106	95	96	102
1949-Year	126	112	110	129	117	126	113	110	113	107	147	129	120
1950-Year	176	212	164	195	184	170	194	160	170	173	188	209	182
1950-Sept.	130	141	94	72	115	109	135	95	107	79	108	106	90
Oct.	322	417	269	392	339	313	353	261	291	192	186	252	198
Nov.	305	373	168	275	276	333	330	157	224	191	285	136	208
Dec.	16	17	67	63	38	11	20	69	49	88	73	37	78

N. Northern.

C. Central.

S. Southern.

W. Western

DAIRYING.

Dairy pastures and stock in New South Wales are reported to be in excellent condition, except in the flood-damaged areas, and production is showing the usual seasonal rise. Factory butter output in New South Wales for the five months ended November, 29½ mill. lbs., was 4% less than in 1949 but well in excess of the previous five seasons. Other States are also experiencing a good season; total wholemilk production in Australia for the four months ended October, 1950, 400 mill. gall., was the highest for some years.

PRODUCTION OF BUTTER IN FACTORIES, New South Wales.
(in million lbs.)

Period.	Average 1937-38 to 1939-40	1946-47	1947-48	1948-49	1949-50	1950-51
July-November	40.75	18.17	23.18	25.52	30.86	29.51
December to June	73.18	42.21	52.89	49.00	51.61	.
Year	113.93	60.38	76.07	74.52	82.47	.

WHEAT.

The 1950-51 wheat harvest in New South Wales is expected to be comparatively small (45 mill. bus. according to the latest departmental estimate) but the other wheat-growing States anticipate above average crops. The Commonwealth forecast of 185 mill. bus. (made in December 1950) is 15% less than the 1949-50 crop although still well above the pre-war and wartime average. Since the war an increasing quantity of wheat is used locally as flour, stock feed and for other uses but because of the recent good crops exports since 1947-48 have been maintained at an average of 120 mill. bus. per season (including about one-third shipped as flour).

The United States and Canada have also had good crops since 1947-48: they maintained exports at an average of 650 mill. bus. a year during the past three years, that is more than twice the 1938-39 figure, and now carry heavier stocks than before the war. World wheat production for 1949 is estimated at 6,270 mill. bus. and for 1950 at 6,360 mill. bus., or 6% above the 1935-39 average.

PRODUCTION AND DISPOSAL OF WHEAT - Australia.
Mill. bushels; flour included at wheat equivalent.

	Year ended November				
	Av. 1937-39	1947.	1948.	1949.	1950(a)
Opening Stocks ...	10	20	14	26	19
Production ...	165	117	220	191	218
Total Available Supply ..	175	137	234	217	237
Exports (Wheat & Flour) ..	103	46	132	120	117
Local Use: Flour ...	31	34	34	35	36
Stock feed... ..	8	22	21	23	23
Other (b) ...	15	22	21	21	20
Closing Stocks ...	15	14	26	19	41
Total Disposals ...	175	138	234	217	237

(a) Subject to revision. (b) Seed, breakfast foods etc. & balance kept on farm.

WOOL.

Wool receipts in New South Wales stores in July-August 1950 were comparatively small because unseasonal weather delayed shearing and transport, but deliveries were stepped up from September onward and by the end of November (when usually about three quarters of the clip has been delivered) they totalled 863,000 bales. Sales have proceeded rapidly and the stock in store at the end of November, 319,000 bales, was less than in previous years. The 557,000 bales sold up to the end of November yielded about £86 mill.

RECEIPTS, DISPOSALS AND STOCKS OF WOOL.
(N.S.W. Stores excl. Albury - Thousand Bales).

	1950			1949	1948
	Sydney.	Newcastle & Goulburn.	Total N.S.W.	Total N.S.W.	Total N.S.W.
Carry-over from June	12	1	13	79	15
Receipts in July-November	698	165	863	910	897
Total	710	166	876	989	912
Disposals, July-November ^x	444	113	557	611	449
Balance in store at end of November	266	53	319	378	463

x Sales and shipments on store.

During the first six months of the current season 1.72 mill. bales were sold in Australia (1.82 mill. in 1949), realizing £271 mill., as against £124 mill. and £85 mill. in the same periods of 1949 and 1948. The average price (full clip base) for New South Wales for December 1950 reached the record figure of 129d. per lb. greasy, or more than double the average of the 1949-50 season.

Statistics compiled by the Commonwealth Economic Committee show that world wool production has recovered steadily in recent years, in particular in Australia (which produces over half of the world merino output), New Zealand and South America, while South Africa and the United States are producing less.

ESTIMATED WORLD PRODUCTION OF RAW WOOL - mill. lbs., greasy.

	Average	(Provisional)			
	1934-38	1947-48	1948-49	1949-50	1950-51
Australia ...	995	973	1,031	1,165	1,190
New Zealand ...	300	362	367	390	372
South Africa ...	261	215	227	225	220
United States ...	451	329	296	269	269
South America ...	612	774	744	761	767
<u>TOTAL (incl. others)</u>	<u>3,768</u>	<u>3,709</u>	<u>3,781</u>	<u>3,942</u>	<u>3,986</u>

World wool consumption since the war has risen more than production and has absorbed most of the J.O. and other wartime stockpiles; the total rose from a 1934-38 average of 2,058 m. lbs. (raw wool - clean basis) to 2,368 m. lbs. in 1949 and an estimated 2,625 m. lbs. in 1950; in 1949 the United Kingdom and United States used about 500 m. lbs. each, rising to an estimated 548 m. lbs. and 628 m. lbs. in 1950. Military demands will probably further add to the demand in 1951 (in particular for fine cross-bred and medium merino types). Supplies of apparel wool in 1951 are expected to be 10% below the 1950 rate of consumption, and the Wool Study Group expect that the demand will be brought into line with supplies by higher prices and substitution of other fibres.